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Little may be done in the way of improving the situation by the imposition of suitable land taxation, since the Mexican government is substantially an "oligarchy topped by a despot, and the members of the oligarchy, or the class to which they belong, are the great landholders." The railways themselves, however, are putting forth extraordinary efforts in this emergency to break the landed monopoly, and apparently with measurable success.

The growth in the export trade of Mexico, especially in coffee, which bids fair to be considerable in future, may be the cause of certain interesting developments in the monetary affairs of the country. As other commodities come to be substituted more and more for silver in the export trade, an inflation of the currency must result. It is not probable that either the mining or the coinage of silver will very soon be suspended, and the development of the mechanism of credit, which is proceeding hand in hand with the commercial development of the country, makes it very improbable that this increased supply of silver will be drawn off into the ordinary channels of circulation without serious economic disturbance.

H. W. STUART.

The American Commercial Policy. Three Historical Essays. By UGO RABBENO. London: Macmillan & Co. 1895. 8vo. pp. xxiv + 414.

THESE essays would be more fittingly entitled "An Attack upon Capitalism" than "American Commercial Policy." The Italian professor claims to be strictly impartial, and so far as regards favoring or criticising protection more than free trade, or *vice versa*, he has apparently succeeded. But something more than this may reasonably be required of an author who makes a strong profession of faith in the historical method of study, and who, after condemning the deductive method as "absolutely insufficient" for the solution of the difficult problem of international exchange, undertakes an inductive investigation which "must point out the historical laws followed in each separate instance" (p. viii). Whatever may be thought of the possibility of reaching by historical investigation, such general laws or explanations with respect to our varied and confusing tariff legislation, it will take no well informed reader long to discover that Professor Rabbeno has given an unsatisfactory explanation and one which rigid adherence to the method proposed by him would render impossible.

The man who tries to explain United States tariff policy on purely economic grounds has a hard task, and needs to go beyond what may be termed secondary authorities. Yet here the facts and opinions to be found in the works of Bolles and Bishop are cited much oftener than those of any other author. Taussig's work, though spoken of in terms of highest praise, is not referred to so often as either of those above mentioned. Besides these three, Hamilton is the only American author referred to as often as is Professor Loria, which is quite proper if the work is intended as a search for facts in support of Loria's theories. But greater attention to American conditions and to the opinions of American statesmen and writers would seem more in place in an inductive study than the constant quoting of a "dear friend's" theory. Neither the free trade Memorial of Gallatin nor Secretary Walker's report is discussed. Webster is cited once, but Clay's name does not appear in the index of authors. The Annals of Congress, Finance Reports, Statutes and Reports of Committees find no place among the numerous authorities cited. It can hardly be that the learned professor has undertaken to explain our commercial policy without knowing these important sources. But it would be interesting to know why they are not even once cited. The omission of Clay may be explained by the fact that he was a politician rather than an economist. But an explanation of the causes of American tariffs which leaves the politicians out of consideration is no explanation. Had the author appreciated Clay's position as the leader and exponent of the great popular demand for protection, a demand which came from farmers, merchants and laborers as well as from manufacturers, he might have been less positive in attributing our early protective tariffs entirely to the machinations of capitalists.

It is unfortunate that an author who undertakes a strictly impartial inductive investigation should fail to discover, or should omit from consideration, so many facts which are in direct conflict with a thesis which is maintained throughout the work. By the general understanding of the term inductive study, the student is expected to find his thesis only at the conclusion of his investigation, certainly not at the beginning. But in this work positive conclusions are stated at the beginning and frequently reiterated. I say at the beginning, because England's method of dealing with the colonies and the colonial action which are described in the first essay, have no vital connection with the real subject. The work might properly begin with the period fol-

lowing the Revolution, which is taken up in the second essay. The first chapter of this essay treats of the period between the close of the Revolution and the adoption of the Constitution. Then we are favored with the following statement of the facts to be proved. First, from 1789 to 1815 the protective policy was being prepared but had not yet been applied, because the conditions requiring protection were wanting (p. 115). Secondly, from 1816 to 1832 the capitalists, to establish their sway, compelled the government to adopt the American system of protection (p. 116). Third, from 1832 to 1860, the capitalistic system being fully developed no longer needed protection and allowed its abandonment. Fourth, after 1860 fiscal needs led to the revival of protective tariffs which the "capitalistic crisis" has maintained till the present. Here it is worth while to note the author's own words :

We do not wish to express opinions and conclusions which might seem premature, but we can confidently assert forthwith that this revival of protectionism in the United States and its counterpart in Europe, are in both cases an effect of the crisis which capitalism is undergoing ; a crisis which seems to point out the necessity for a social and financial transformation whose main features are not yet clearly apparent. Perhaps the capitalist system, as actually existing, is close upon its end, and capital does its utmost to defend it ; it leans upon protectionism, and tries in Europe as well as in America to revive its strength by those newly-devised huge coalitions called *Trusts* (p. 117).

Had the examination of the debates on the Act of 1789 been more careful, and had less reliance been placed upon the theory by which the author explains all our tariffs, the verdict on the first act might have been different. But a different verdict here would spoil the theory, just as a real knowledge of the popular feeling represented by Clay would destroy it. Capitalists and corrupt motives may perhaps rule in Italy, they may be able to compel the government to do their bidding in tariff policy and land policy. Such writings as the present lead us to believe that the author thinks they rule everywhere. We are ready enough to admit that such influences play far too large a part in American governmental affairs. But he knows little of American conditions who makes capitalistic influence the explanation of our whole commercial policy. Capitalism probably exercised less influence in 1820 than it does today, but what American authority would maintain today that protection could continue for a year if it were demanded by capitalists alone ? Then, how from a study of American history can the following conclusion be drawn ? "For protection to be established

there must exist a class of capitalists already sufficiently powerful to have made their influence felt, and to induce the country to incur an immediate evil in order to guard their own interests, and perhaps in this way those of the nation at large" (p. 169).

According to the Italian professor, protection was not alone invoked by the capitalists to put the laborers at their mercy, but the land policy of the government was purposely so shaped that the "laborers were completely excluded from the lands sold in enormous tracts to speculators only" (p. 176). If it be true that the government has at all times been in league with capitalists to oppress the laborers by keeping them off the land and compelling them to work in factories at wages fixed by the capitalists, how is it that the policy broke down, and lands were freely given to all settlers just at the time when capitalism was securing the reimposition of protective tariffs and was much stronger than ever before? Americans are inclined to think that their government has been extremely liberal both in giving away new lands and in aiding railways or other means of transportation which make settlement upon new lands not only possible but also profitable. If, as our author maintains, it was the settled policy of the government to keep laborers off the land, it would be difficult to find an instance of an effort which failed more completely.

In recent years the struggle has assumed a different phase and is due to different causes. Our author informs us that, "We have been suffering for the last twenty years from a permanent ill ease which seems to have become chronic. Its principal symptoms are a general fall in prices and profits, in conjunction with a systematic excess of production out of all proportion to the consuming capacity of the population, and a continual increase of the accumulation of capital and of the bulk of trade" (p. 230). In several other places Professor Rabbeno uses the theory of overproduction as an explanation of our recent policy. Trusts and protection are the means used by the capitalists to escape from the evils of overproduction. In summarizing, the author uses the following strong language to express the results obtained by his "impartial investigation:"

In the meanwhile, to attain such poor ends, really important and general interests have been sacrificed; production restricted and rendered costly; workmen oppressed, and all the while—supreme mockery!—they are told that protection, the instrument of their degradation serves to keep their wages at a high level; and all consumers suffer. . . . It [protection] is only one of

the last, petty, useless bulwarks of capitalistic despotism, behind which profits are fighting their last battle; and to demolish it is the task of the laboring classes, who do but claim their rights, protesting against the egotism of capitalists, who to gain paltry advantages do them and their country grave injuries. It is only in the triumph of these new classes, and in a new social and economic departure, that the final discomfiture of protectionism can be expected (p. 258).

Remarks to like effect, though more moderate in tone, abound (pp. 113, 130, 154, 170, 171, 266, 274, 279, 280).

From the second essay it is a relief to turn to the third, which traces the growth of the theory of protection through the writings of Hamilton, List, Carey and Patten. List is given more importance than his connection with the United States warrants. Carey is justly treated with severity. But foreigners have rated him so high that a real service is done by a critical summary of his work. The analysis and estimate of the work of Hamilton and Patten is commendable.

In conclusion it may be said that as a summary of the more important facts in United States tariff history, and as an analysis of the writings of protectionists, the work is of value, particularly to those Italians who, while wishing to know the commercial history of this country, have not a ready command of English, but as an explanation of the causes of our commercial policy it is worse than useless.

WILLIAM HILL.

Report on Wages and Hours of Labor. Board of Trade, Labor Department. London: printed for Her Majesty's Stationery Office by Eyre & Spottiswoode, 1894.

Part I., Changes in Rates of Wages and Hours of Labor in the United Kingdom in 1893. 8vo. pp. lxxxi+222.

Part II., Standard Piece Rates. 8vo. pp. xviii+232.

Part III., Standard Time Rates. 8vo. pp. xii+278.

THE primary object of this tripartite report is to record and interpret all important changes in rates of wages occurring in Great Britain during the year 1893. The present report indicates also the preliminary results of the investigation of the same phenomena during 1894. If, as is hoped, the inquiry is continued year by year upon parallel lines, it will make available a mass of comparative data showing in